The Confederation of Co-operative Housing

BRIEFING NOTE FOR MPs – NOVEMBER 2026

Recognising co-operative housing through a bespoke Co-operative Tenure

Prepared by: Confederation of Co-operative Housing (CCH)
For: Members of Parliament
Purpose: To seek Government support for legislation establishing a dedicated Co-operative Housing Tenure

Summary

The Confederation of Co-operative Housing (CCH) is calling on the Government to recognise the distinctive legal and organisational characteristics of housing co-operatives by establishing a bespoke form of Co-operative Housing Tenure.

Housing co-operatives are not simply another type of landlord. They are democratic, member-controlled organisations in which tenant-members collectively exercise ownership, management and responsibility for their homes.

However, the UK lacks a dedicated legal framework that fully recognises the relationship between a housing co-operative and its members. This creates uncertainty, complicates the development of new co-operatives and limits the potential contribution of co-operative housing to addressing the housing crisis.

CCH is asking the Government to legislate for a dedicated Co-operative Housing Tenure, recognising the unique legal form of co-operatives and enabling the sector to grow.

This would bring the UK closer to countries all over the world where housing co-operatives have a more established legal and institutional position.

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1. What is co-operative housing?

Housing co-operatives provide homes through a collective, democratic and member-controlled structure.

Unlike conventional private landlords, a housing co-operative is generally governed by its residents, who are also members of the organisation. Members participate in decision-making, contribute to the management of their homes and share responsibility for the long-term success of the co-operative.

Co-operative housing can offer:

- secure and affordable homes
- democratic resident control and participation
- collective responsibility for housing management
- stronger communities and social connections
- a long-term commitment to housing as a social good rather than simply an investment.

The sector includes a variety of models, including fully mutual housing co-operatives, ownership co-operatives and community-led housing initiatives.

These organisations make an important contribution to housing diversity, affordability and resident empowerment.

2. The legal problem: co-operative housing is not adequately recognised

Housing co-operatives in England operate within a complex framework of general company, co-operative, housing and landlord-and-tenant law.

Many co-operatives are registered under the Co-operative and Community Benefit Societies Act 2014, which provides a legal structure for their organisational and democratic principles.

However, there is no **dedicated statutory tenure** that fully reflects the relationship between a housing co-operative and its members.

In particular, the legal framework does not adequately distinguish the co-operative relationship from conventional landlord-and-tenant arrangements.

This can create difficulties for:

- co-operatives seeking to establish new housing schemes
- members seeking clarity about their rights and responsibilities
- legal advisers and professionals unfamiliar with co-operative housing
- lenders and financial institutions assessing co-operative housing models
- organisations seeking to develop housing co-operatives at greater scale.

The current arrangements can result in co-operatives being treated primarily as conventional landlords, despite their fundamentally different democratic and mutual character.

The International **Legal Research and Analysis Initiative (ILRAI) report on co-operative housing law** identifies the importance of clear legal recognition and supportive policy frameworks in enabling housing co-operatives to develop and thrive. It also highlights the barriers created by the absence of a dedicated Co-operative Housing Tenure in the UK.

3. Why a bespoke Co-operative Housing Tenure is needed

A dedicated tenure would recognise that housing co-operatives are based on a distinctive relationship between the organisation and its members.

It would provide a legal framework that reflects:

The co-operative relationship

Tenant-members occupy their homes through membership of a democratic organisation, rather than simply through a conventional landlord-and-tenant relationship.

Collective ownership and responsibility

The co-operative holds responsibility for the housing, while tenant-members collectively participate in its governance and management.

Democratic control

Tenant-members have a voice in decisions affecting their homes and the organisation, consistent with Co-operative Principles.

Long-term housing security

The tenure should provide a clear and appropriate framework for tenant-members' rights, responsibilities and security of occupation.

Mutual obligations

The relationship between the co-operative and its tenant-members should reflect shared responsibilities, including the maintenance and sustainability of the housing.

A bespoke tenure would not mean removing necessary protections for residents. Rather, it would establish appropriate rights and safeguards that recognise the distinctive co-operative relationship.

4. International experience

The UK is not alone in seeking to develop alternative housing models. Across Europe, housing co-operatives operate under a variety of legal and regulatory arrangements.

Countries such as Sweden and Norway have long-established legal frameworks for co-operative housing. Austria has a specific limited-profit housing framework, while other European countries have developed housing co-operative legislation and regulatory structures.

These arrangements differ considerably, and no single model can simply be transplanted into the UK.

Nevertheless, international experience demonstrates the importance of recognising co-operative housing as a distinct part of the housing system.

The UK should learn from this experience and develop a framework appropriate to its own legal and housing systems.

5. The benefits of legislation

Establishing a dedicated Co-operative Housing Tenure could deliver significant benefits.

Supporting housing supply

A clearer legal framework would help communities establish housing co-operatives and encourage new development.

Strengthening resident empowerment

Co-operative housing places residents at the centre of decisions about their homes. Legal recognition would reinforce this distinctive model of democratic control.

Improving access to finance

A clearer and more predictable legal framework could help lenders, investors and other institutions understand the co-operative housing model and assess its potential.

Promoting housing diversity

A dedicated tenure would help create a more diverse housing system, offering an alternative to conventional renting and individual home ownership.

Supporting long-term affordability

Co-operative housing can help maintain homes for long-term community benefit, rather than treating housing primarily as a financial investment.

These benefits are consistent with CCH's wider objective of enabling co-operative and community-led housing to make a greater contribution to meeting housing need.

6. Parliamentary background

The case for co-operative housing tenure has been raised in Parliament on several occasions.

In April 2025, Andrew Pakes MP, now the **Co-operative and Mutuals Champion,** introduced the **Co-operative Housing Tenure Bill**, proposing that occupiers of certain co-operative housing should occupy their homes by virtue of membership of the co-operative, rather than as tenants or under another property interest.

The Bill also proposed provisions addressing the rights and obligations of co-operatives and their members.

The Bill's introduction recognised the need for a legal foundation that would enable co-operative housing to grow and fulfil its potential.

CCH welcomes the Government's recognition of community-led housing and its potential contribution to housing supply. However, continued consideration of the issue is needed to ensure that the legal recognition of co-operative housing becomes a practical legislative commitment.

7. CCH's recommendations to Government

CCH is asking the Government to:

1. **Commit to legislating for a dedicated Co-operative Housing Tenure in England.**
2. Recognise the distinctive legal and organisational characteristics of housing co-operatives and their relationship with tenant-members.
3. Develop legislation that clearly establishes the rights and responsibilities of both housing co-operatives and their tenant-members.
4. Ensure that the new tenure provides appropriate security of occupation and safeguards for residents.

5. Consult with CCH and the wider co-operative housing sector on the design and implementation of the legislation.
6. Confirm a timetable for progressing this work, whether through the Social Housing Bill or subsequent legislation.

Conclusion

Co-operative housing offers a valuable and distinctive contribution to addressing the UK's housing challenges.

Its democratic, member-controlled structure provides an alternative to conventional housing models, strengthening resident participation, collective responsibility and long-term community benefit.

However, the sector cannot reach its full potential without a legal framework that recognises its unique characteristics.

CCH believes the time has come for the Government to move beyond recognising co-operative housing in principle and establish a dedicated Co-operative Housing Tenure in law.

We urge MPs to support this important reform and help ensure that co-operative housing can make a greater contribution to the future of housing in England.

Further information

For any enquiries please contact Blase Lambert, Chief Executive Officer, Confederation of Co-operative Housing info@cch.coop.

Website: https://www.cch.coop/

CCH Manifesto for Change (2024)

CCH Manifesto Scotland (2026)

Co-operative Housing Tenure Bill (2025)